



OIL BASINS LIMITED

ABN 56 006 024 764

15 December 2014

ASX Markets Announcements
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
Sydney NSW 2000

Dear Sirs

OBL ATTAINS VARIATION OF PERMIT VIC/P47 YEAR 5 WORK PROGRAM

The Directors of Oil Basins Limited (**OBL** or the **Company**, ASX code **OBL**) wish to make the following ASX announcement to keep the market fully informed in relation to its wholly owned offshore Gippsland Exploration Permit Vic/P47 (refer to **Figure 1**).

HIGHLIGHTS:

- NOPTA has now approved the Vic/P47 Year 5 Work Program Variation Application by OBL as the new operator of Vic/P47.
- The Company is on title and confirmed as operator of Vic/P47 and now effectively holds 100% interest in two offshore gas fields (Judith Gas Field and Moby Gas Field) with no potential well obligations for up to 3 years.

IMPACT TO OBL:

- The previous mandatory Vic/P47 Year 5 Work Program included the drilling of a minimum A\$35 million exploration well by 15 November 2015 and this has now been successfully replaced by OBL as operator Vic/P47 with a more modest \$581,000 of new and highly focused modern geophysical and geological studies specifically designed to enhance the overall gas prospectivity of the permit.
- OBL is seeking a farmout/acquisition partner for Vic/P47.
- OBL has obtained a NOPTA ruling that if Vic/P47 is renewed, NOPTA will require a replacement mandatory well during the primary term (ie effectively the well deferred by up to 3 years, being now prior to 15 November 2018).
- The Company believes that the new work (approved Variation) and rulings will greatly assist the OBL Group seeking farmin partners in this highly gas prospective permit situated nearby existing subsea infrastructure (OBL's 100% Judith Gas Field is nearby the new Kipper subsea infrastructure and OBL's 100% Moby Gas Field is nearby the Patricia-Baleen subsea hub and under-utilised gas infrastructure).
- The Company is very pleased with both the Vic/P47 acquisition and recent approved new work program and believes that the NOPTA approved variation and rulings on a future permit renewal will greatly enhance the overall value of this new OBL core asset with rapid development attributes to nearby existing gas infrastructure.

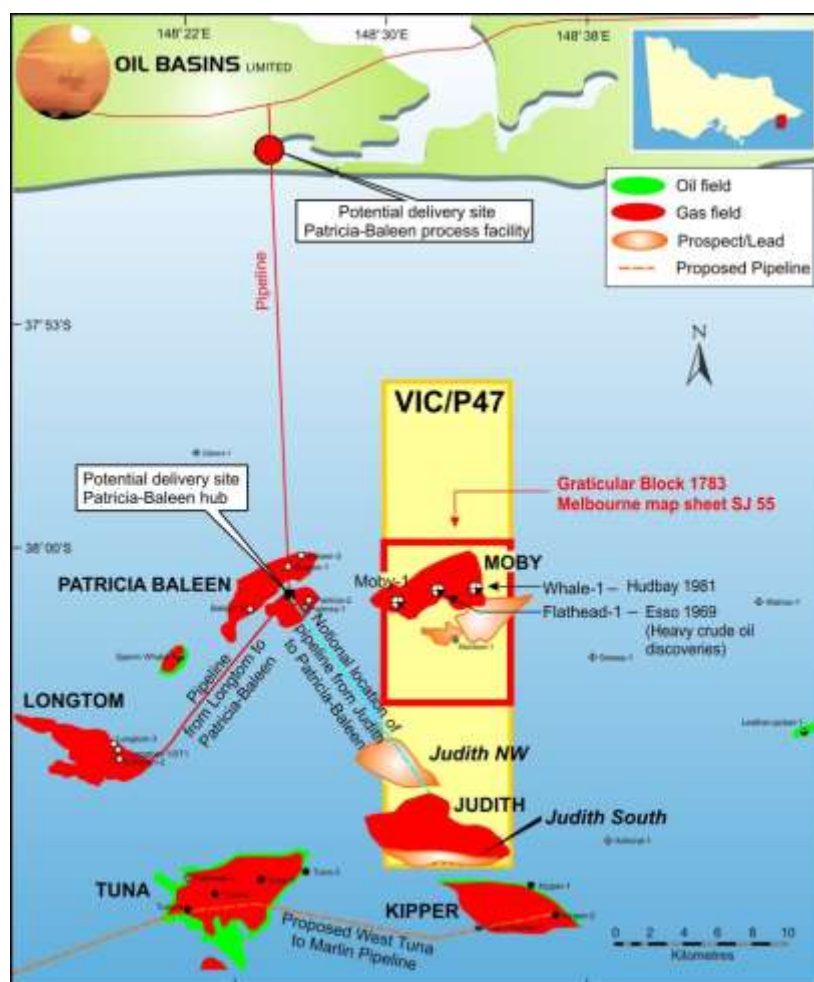


Figure 1

Permit Vic/P47 hosts the Moby Gas Field Location and the Judith Gas Discovery
All defined in 3D seismic – OBL Group net 100%

Vic/P47 Ownership

The Company in early November 2014 entered into negotiations and applied for approval of the National Offshore Petroleum Titles Administrator (**NOPTA**) for the variation of the current mandatory Year 5 Work Program (including the drilling of a minimum A\$35 million exploration well by November 2015).

As previously advised on 20 November 2014, NOPTA approved and registered the transfer to the OBL Group of interests in petroleum exploration permit Vic/P47 as follows:

Oil Basins Limited (ASX code OBL)	50% and Operator
Shelf Oil Pty Ltd (OBL's 100% owned subsidiary)	50%
Oil Basins Royalties Pty Ltd (a wholly owned subsidiary of OBL)*	2.0% ORRI

**Refer to ASX Release dated 3 December 2014 and subject to NOPTA approval.*

Vic/P47 Variation Approved

OBL wishes to advise that, further to a formal Application for Variation by the former operator in October 2014, and subsequently renegotiated and modified by OBL as the new operator in November 2014 it has on 11 December 2014 formally attained consent and approval of NOPTA for the variation of Year 5 Work Program with the effect of replace the mandatory well by a more modest new geotechnical work program focused upon assessment of the overall gas prospectivity of the permit by 15 November 2015 (refer to **Table 1**). OBL will make more detailed releases on the Vic/P47 work program in due course.

Revised Approved Work Program

The revised minimum work program includes new modern reprocessing of earlier vintage 3D seismic surveys, new quantitative interpretation (**QI**) and amplitude versus offset (**AVO**) studies is shown in Table 1 below:

EXPLORATION PERMIT VIC / P47			
Permit Year	Year End	Minimum Work Requirements	Expenditure *
5	13/11/15	Reprocess and interpret 187 sqkm of vintage Northern Area 3D and Moby 3D Seismic Survey data. Conduct new geotechnical studies including QI / AVO, fault seal analysis and well planning.	\$581,000

* Minimum Committed Work Program Expenditures

Table 1

Vic/P47 Remaining minimum work program commitments after successful Variation Application by OBL

NOPTA Ruling on further Vic/P47 renewal

OBL has obtained the following NOPTA ruling if Vic/P47 is renewed:

- a) NOPTA will require a replacement mandatory well during the primary term (ie before 15 November 2018).
- b) In addition, as the permit presently consists of three (3) blocks, NOPTA has advised that the Vic/P47 Joint Venture can either
 - (i) renew two (2) blocks being the Moby Location and either of the other two blocks and being eligible for a further subsequent renewal, or
 - (ii) elect to renew all three (3) blocks but if so these blocks will be precluded from subsequent renewals.

Yours faithfully



Neil Doyle SPE
Director & CEO